

Affidavit of Kimberly A. Dowd

I, Kimberly A. Dowd, a Special Agent with the United States Secret Service ("USSS"), in Boston, Massachusetts, being duly sworn, depose and state:

1. I am a Special Agent of the U.S. Secret Service, and have been so employed since September 23, 2002. Prior to that, I spent approximately five years as an active duty Marine Corps officer, completing my service in September 2002 at the rank of Captain. In my capacity as a Special Agent with the U.S. Secret Service, I have received several months of extensive training at the Federal Law Enforcement Training Center and the James J. Rowley Training Center in Beltsville, MD. This included training in investigations of financial and computer crimes, such as wire fraud, access device fraud, and other computer related frauds. I also received additional computer related training at the Network Intrusion Course in Columbia, S.C. I am currently assigned to the New England Electronic Crimes Task Force, where I have been investigating cases involving both financial and computer related crimes since July 2003. In this capacity, I have participated in the execution of search warrants, the interview of subjects, suspects, and witnesses, and in the analysis of seized evidence.

2. The information contained in this affidavit is based upon my review of documents related to this investigation, returns on requested subpoenas, interviews I conducted, and information furnished to me by other law enforcement agents. This affidavit is not intended to set forth all of the information that I and other law enforcement personnel have learned during this investigation, but rather consists of that information necessary to support the charges alleged in the criminal complaint against

JAMES R. HART alleging violations of 18 U.S.C. § 1343, Wire Fraud.

BACKGROUND

3. In June of 2003, Seymour Slatkin of Potomac, Maryland contacted Sovereign Brokerage Services (SBS) at the SBS web site www.sovereignimports.com, for the purpose of purchasing a 1998 Porsche C4S, color silver, with a vehicle identification number WP0AA2995W5320474, a photograph of which he saw on the SBS website along with information claiming that it was for sale. After an exchange between Mr. Slatkin and SBS, both entered into a sales agreement. By the terms of this agreement, SBS agreed to sell the 1998 Porsche C4S to Mr. Slatkin for \$62,350 (sixty-two thousand, three hundred fifty dollars). The agreement took place on approximately on July 22, 2003.

4. As part of this agreement, SBS required Mr. Slatkin to wire transfer the \$62,350 to JAMES R. HART before Mr. Slatkin could accept delivery of the Porsche. Accordingly, Mr. Slatkin wired the money to Sovereign Bank located at 587 Cabot Street, Beverly, Massachusetts, routing number 011075150, for credit to SBS, account number 60404943569.

5. After sending the money, HART/SBS ceased communicating with Mr. Slatkin despite attempts by Mr. Slatkin to inquiry first about the car and then about what had happened to his money.

6. Records from the Sovereign Bank indicate that account number 60404943569 belongs to JAMES R. HART DBA SBS 1 Moses Lane, Essex, Massachusetts 01929.

7. A search for the registered owner of the web site

www.sovcreignimports.com was conducted through the WHOIS databasc. The WHOIS database is a utility that provides ownership information about Internet domain names (the portion of website that follows the "www."). The information in the WHOIS database comes from information provided by the owner of each domain name. The WHOIS database returned the following information regarding the purported ownership of the website www.sovereignimports.com: Registrant: HART, Jim (SOVEREIGNIMPORTS-DOM), Sovereign Brokerage Services, P.O. Box 803 Manchester, Massachusetts 01944; Administrative Contact: HART, Jim (JH3926) jHART@SHORE.NET, Sovereign Brokerage Services, P.O. Box 803, Manchester, Massachusetts 01944, (508) 282-4550, fax: (508) 283-0402; Technical Contact, Registrar: Domain (DR1432) shore-dns@SHORE.NET, 173 Oxford Street Lynn, Massachusetts 01901, 781-477-2000, fax: 781-593-6858. The record was created on 27-Sep-2000. The record expires 27-Sep-2006.

8. In addition to Mr. Slatkin's complaint, numerous other individuals have complained to law enforcement authorities of similar interactions with JAMES R. HART, doing business as Sovereign Brokerage Services. In each of these instances, the complainants have informed law enforcement that the complainants attempted to purchase a high-end motor vehicle using the Internet website or e-mail addresses of www.sovereignimports.com, www.soverign.com, and/or jHART@shore.net. During these communications JAMES R. HART agreed to sell each victim a high priced motor vehicle. As a result of these agreements, each victim, at the direction of JAMES R.

HART, wired money to the above-described bank account, but never received the motor vehicle that had been promised.

9. My investigation to date has revealed a total known loss through this scheme of in excess of \$700,000.

10. The Massachusetts Registry of Motor Vehicles records a JAMES R. HART with a date of birth of October 22, 1952, and an address of 1 Moses Lane, Essex, MA.

11. A check with the Warrant Management System revealed that JAMES R. HART had the following outstanding warrants:

- a. Default warrant from Salem District Court for larceny over \$250;
- b. Warrant from Salem District Court for larceny over \$250;
- c. Default warrant from Gloucester District Court for by-law violation;
- d. Default warrant from Gloucester District Court for assault and battery;
- e. Warrant from Salem District Court for larceny over \$250;
- f. Default warrant from Gloucester District Court for fugitive from justice; and
- g. Felony warrant from the Commonwealth of Pennsylvania, County of York for theft by failure to make required disposition of funds received, and theft by deception.

12. During the course of this investigation, I have learned that James R. HART had several residential addresses since the year 2000 including, but not limited to:

1 Moses Lane, Essex, Massachusetts; 87 Atlantic Rd, Gloucester, Massachusetts; 100 Cummings Center, Suite 339C, Beverly, Massachusetts; 102 Newbury Street, Danvers, Massachusetts; 238 Andover Street, Room 103, Danvers, Massachusetts. I have also learned that HART has constantly maintained a Post Office Box of 803, Manchester, Massachusetts. It is my opinion that HART frequently changed his address in an attempt to hide from his victims.

13. On Thursday, January 22, 2004, Massachusetts State Police Troopers Richard Huber and Rick Boudreau, along with Special Agent Darin Mosher of the United States Secret Service and I went to The Marriott Townplace Suites, Room 103, located at 238 Andover Street, Danvers, Massachusetts and arrested James HART on the outstanding warrants mentioned above.

14. On that same day, a state search warrant was issued and executed for that same hotel room, and a computer and other business instruments were seized.


CONCLUSION

15. Based on the facts set forth above, I believe there is probable cause to believe that for a time period including June and July of 2003, in the District of Massachusetts, the State of Maryland and elsewhere, JAMES R. HART did, having devised a scheme or artifice to defraud or to obtain money or property by means of false or fraudulent pretenses, representation or promises, transmit or cause to be transmitted by means of wire in interstate commerce a writing, sign, signal, picture or sound for the purpose of executing such scheme or artifice.

Signed under the pains and penalties of perjury this 16th day of March 2004.


KIMBERLY A. DOWD
Special Agent
United States Secret Service

Sworn and subscribed to me this 16th day of March 2004.


JUDITH G. DEIN
United States Magistrate Judge